

AMENDED IN SENATE APRIL 14, 2009

SENATE BILL

No. 775

Introduced by Senator Liu

February 27, 2009

An act to add Chapter 12.5 (commencing with Section 67050) to Part 40 of Division 5 of Title 3 of, and to repeal Chapter 4.5 (commencing with Section 99180) of Part 65 of Division 14 of Title 3 of, the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 775, as amended, Liu. Postsecondary education: accountability program.

Existing law establishes the University of California, under the administration of the Regents of the University of California, the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, and private, independent institutions of higher education as the 4 segments of postsecondary education in this state.

Existing law establishes a higher education accountability program under which the University of California, the California State University, and the California Community Colleges are required to prepare a list of reports on a regular basis to the Legislature and to state agencies. Under the program, the California Postsecondary Education Commission (*CPEC*) is required to submit an annual higher education report to the Legislature and the Governor that provides information on significant indicators of the performance of public colleges and universities.

This bill would repeal the existing higher education accountability program and require the state to establish a new accountability

framework to achieve prescribed educational and economic goals. *The bill would set forth educational and economic goals and would require the CPEC, by January 30, 2010, to convene a working group to develop a prescribed set of performance outcomes to measure progress toward meeting those educational and economic goals. The bill would require the working group to publish those performance outcomes by January 30, 2011. The bill also would express legislative intent with respect to conditioning receipt of enrollment growth funding upon achievement of those performance outcomes by the 3 segments of public postsecondary education.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 12.5 (commencing with Section 67050)
2 is added to Part 40 of Division 5 of Title 3 of the Education Code,
3 to read:

4
5 CHAPTER 12.5. EDUCATIONAL AND ECONOMIC GOALS FOR
6 CALIFORNIA ~~HIGHER EDUCATION~~

7
8 67050. The Legislature finds and declares all of the following:

9 (a) Since the enactment of the Master Plan for Higher Education
10 in 1960, California's system of postsecondary education has
11 provided access and high quality educational opportunities that
12 have fueled California's economic growth.

13 (b) In today's global information economy, California's national
14 and international success as an educational and economic leader
15 will require strategic investments and improved management of
16 state resources.

17 (c) Several factors, including changing demographics, rising
18 costs, increased competition for scarce state funding, and employer
19 concerns about graduates' skills, present new challenges to higher
20 education and state policymakers in effectively meeting the
21 postsecondary education needs of Californians.

22 (d) Although the public segments of higher education have each
23 developed their own institution-specific accountability efforts,
24 these efforts do not combine to tell us whether the state as a whole
25 is on track to produce enough ~~college-educated~~ college-educated

1 individuals to meet workforce needs and to effectively compete
2 in the global information economy, nor do they reflect statewide
3 policy goals that cut across all higher education segments.

4 (e) Without the articulation of a shared common vision and
5 goals, and in the absence of a statewide focus and context, the state
6 has limited access to meaningful data and analyses to assess the
7 state's performance in key areas, in order to make critical fiscal
8 and policy decisions *aimed at fostering fundamental changes within*
9 *California's postsecondary education system that are required to*
10 *meet the needs of the 21st century.*

11 (f) As public demand to ensure the state is making proper
12 investments in postsecondary education grows, policy and
13 educational leaders must ~~collectively hold themselves be~~
14 accountable for connecting the postsecondary ~~academic~~ educational
15 and research enterprise to the state's economic and workforce
16 development needs, increasing its productivity, and expanding
17 postsecondary access for all citizens and regions of the state to
18 produce the economic and educational outcomes that best serve
19 the state's interest.

20 (g) *In order to achieve the educational and economic outcomes*
21 *necessary to ensure the state's success, it is the intent of the*
22 *Legislature that data-driven budget and policy decisions within*
23 *higher education, premised on a state-level public agenda for*
24 *higher education pursuant to this chapter, be guided by each of*
25 *the following goals:*

26 (1) *Increased educational attainment and successful transition*
27 *across all education levels. In the best performing state in the*
28 *nation, for every 100 pupils in grade 9, 91 graduate from high*
29 *school, 57 directly enter college, and 27 graduate within 150*
30 *percent of program time. However, in California, for every 100*
31 *pupils in grade 9, 71 graduate from high school, 31 directly enter*
32 *college, and 17 graduate within 150 percent of program time,*
33 *placing California 27th in the nation. Goal: by 2020, California*
34 *will have improved its educational pipeline numbers sufficiently*
35 *so that it is among the top 10 states in the nation for the successful*
36 *movement of students through this pipeline.*

37 (2) *Meeting the state's economic development, workforce*
38 *development, and civic capacity needs. Current projections by the*
39 *National Center for Public Policy and Higher Education indicate*
40 *that California residents will have the largest drop in projected*

1 *per capita income in the nation over the next two decades, and*
2 *will fall below the national average by 2012. Goal: by 2020,*
3 *California will be at the average per capita income of the top 10*
4 *new economy states as determined using the State New Economy*
5 *Index developed by the Progressive Policy Institute.*

6 *(3) Closure of the achievement gap and increased learning at*
7 *all levels. In 2005, California ranked 33rd among states in the*
8 *percentage of persons between 18 and 24 years of age, inclusive,*
9 *with a high school diploma, 31st in the percentage of persons*
10 *between 25 and 64 years of age, inclusive, with an associate*
11 *degree, and 14th in the percentage of persons between 25 and 64*
12 *years of age, inclusive, with a bachelor's or higher degree. Goal:*
13 *by 2020, California will be in the top 10 states nationally for the*
14 *percentages of its age groups with degrees and certificates*
15 *conferred.*

16 67051. The State of California shall establish an accountability
17 framework that provides the basis for an ongoing assessment of
18 the collective contribution of ~~the state's system~~ *each of the public*
19 *segments of postsecondary education toward meeting clear and*
20 *measurable educational and ~~economic~~ goals; economic goals*
21 *established pursuant to Section 67050. The accountability*
22 *framework shall be designed to serve as a tool to hold California's*
23 *postsecondary education system accountable in helping the state*
24 *meet articulated state goals by informing funding and policy*
25 *decisions.*

26 67052. *The state shall assess the contributions of the segments*
27 *of public postsecondary education in helping the state meet the*
28 *statewide goals articulated in Section 67050 by measuring progress*
29 *toward specific performance outcomes in each of the following*
30 *areas:*

- 31 *(a) Improved access to postsecondary education.*
- 32 *(b) Enhanced learning and graduation rates.*
- 33 *(c) Increased efficiency, including reduced time to obtain a*
34 *degree.*
- 35 *(d) Closure of achievement gaps.*
- 36 *(e) Generation of beneficial research.*
- 37 *(f) Production of graduates able to meet critical workforce*
38 *needs.*

39 67053. *(a) On or before January 30, 2010, the California*
40 *Postsecondary Education Commission shall convene a working*

1 group of postsecondary education stakeholders, practitioners, and
2 experts, including, but not limited to, representatives of each
3 segment of public postsecondary education.

4 (b) The working group shall develop a set of specific
5 performance outcomes in each of the areas specified in Section
6 67052. The development of each performance outcome shall
7 include consideration of the degree to which postsecondary
8 educational institutions can reasonably achieve the outcome.

9 (c) On or before January 30, 2011, the working group shall
10 publish the set of performance outcomes and shall make that
11 publication available to each segment of public postsecondary
12 education, the Governor, the Legislature, and the public.

13 67054. (a) Commencing with the 2012–13 fiscal year, in
14 allocating any state funding to public postsecondary educational
15 institutions for purposes of enrollment growth, the state shall
16 consider the progress of those institutions toward meeting
17 performance outcomes aimed at helping the state achieve the goals
18 articulated in Section 67050.

19 (b) It is the intent of the Legislature, in enacting this section,
20 that public postsecondary educational institutions demonstrate
21 measurable progress in achieving performance outcomes, as a
22 condition of receiving enrollment growth funding.

23 SEC. 2. Chapter 4.5 (commencing with Section 99180) of Part
24 65 of Division 14 of Title 3 of the Education Code is repealed.